## Federal-Health Resources and Services Administration (HRSA) Virginia-State Loan Repayment Program **Category** Eligibility requirements and information from the 2010 HRSA Guidelines with expanded updates as of 9-1-2011 and 6-5-12 (NOTE: Highlighted Yellow=recently expanded) **Application** Open See details on VDH-OMHHE website in Incentives- Loan Repayment. **Enrollment** Federal Virginia State Loan Repayment Program (VA-SLRP) is authorized by Public Health Service Act, Title III, Section 338I, 42 General U.S.C. 254q-1. The Virginia State Loan Repayment Program (SLRP) is a federal grant provided by the Health Resources Services Overview Administration, Bureau of Health Professions. The state of Virginia is granted \$400,000 for four years in a joint effort to assist primary care physicians, dentists, nurse practitioners, nurse midwives, physician assistants, registered dental hygienists, psychiatric nurse specialists, mental health counselors, health service psychologists, licensed clinical social workers, licensed professional counselors, marriage and family therapists, registered nurses, and pharmacists repay educational loans in exchange for service in a federally designated (Primary Care, Mental, or Dental) Professional Shortage Area (HPSA). Applicants must specialize in primary care family or general practice, internal medicine, pediatrics, obstetrics/gynecology or psychiatry. An eligible practice site must be located in a HPSA, and must be a public or notfor-profit entity. Participants may receive up to \$140,000.00 for a 4-year commitment. This program requires a state or community dollarfor-dollar match. This program used to have a state match provided but was defunded in FY2010. The recipient is currently required to find their own community matches which most commonly comes from their practice site. General NO FEDERAL OR STATE OBLIGATIONS: Applicant must not have an outstanding contractual obligation for health professional **Eligibility** service to the Federal Government, or to a State or other entity, unless that service obligation will be completely satisfied before the SLRP contract has been signed (e.g., an active military obligation, National Health Service Corps Loan Repayment Program NHSC LRP, NHSC Scholarship Program, Nursing Education Loan Repayment Program NELRP, Nursing Scholarship Program, Faculty Loan Repayment Program, or Primary Care Loan obligation). Be aware that certain bonus clauses in employment contracts may impose a service obligation. NO FEDERAL DEBT: Applicant must not have a judgment lien against their property for a debt to the United States. Debtors with judgment liens for Federal debts are ineligible to receive Federal financial assistance, including Federal grant funds. NO HISTORY OF NONCOMPLIANCE OR WAIVER: Applicant must not have a history of failing to comply with, or inability to comply with, service or payment obligations. SLRP applicants/participants cannot have: a. defaulted on any Federal payment obligations (e.g., Health Education Assistance Loans, Nursing Student Loans, Federal income tax liabilities, Federal Housing Authority loans, etc.) even if the creditor now considers them to be in good standing; b. breached a prior service obligation to the Federal/State/local government or other entity, even if they subsequently satisfied the obligation; c. had any Federal debt written off as uncollectible (pursuant to 31 U.S.C. 3711(a) (3)) or had any Federal service or payment obligation waived. NO DELINQUENT CHILD SUPPORT: In keeping with Executive Order 13019, applicants cannot be delinquent in child support payments.

|                                     | • NO SALARY OFFSET: SLRP contracts are not to be used as a salary offset in the practice site. Salaries for health professionals participating in the <u>SLRP should be based on prevailing rates in the area</u> .  |
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|                                     | • SLRP FUNDS ARE ONLY TO REPAY QUALIFIED EDUCATIONAL LOANS. SLRP applicants will have to prove qualified education loan balances.  |
|                                     | • CHARGES FOR MEDICAL SERVICES: Practice site <u>must</u> charge for their professional services <u>at the usual and customary</u> prevailing rates in the area in which such services are provided, except that if a person is unable to pay such charge, such person shall be charged at a reduced rate (i.e., discounted sliding fee scale) or not charged any fee.   |
| General<br>Eligibility<br>Continued | • <b>MEDICAID/MEDICARE REQUIREMENT:</b> Practice site must provide primary health services to <u>any</u> individual seeking care. SLRP participants <u>must agree</u> not to discriminate on the basis of the patient's ability to pay for such care or on the basis that payment for such care will be made pursuant to Medicare (established in Title XVIII of the Social Security Act), or Medicaid (Title XIX of such Act), or the Children's Health Insurance Program (Title XXI of such Act). Must accept assignment under Medicare for all services for which payment may be made under Part B of Title XVIII of the Social Security Act. Additionally, they must enter into an appropriate agreement with the State agency that administers the State plan for Medicaid under Title XIX to provide service to individuals entitled to medical assistance under the plan; and with the Children's Health Insurance Program (CHIP) to provide service to children under Title XXI. |
| Military<br>Eligibility             | • NO ACTIVE MILITARY OBLIGATIONS: Applicant <u>cannot</u> have any other outstanding contractual obligation for health professional service to the Federal Government (e.g., an active military obligation). Individuals in the Reserve Component of the U.S. Armed Forces or National Guard are eligible to participate in the SLRP. If the SLRP participant's military training and/or service, in combination with the participant's other absences from the service site, <u>exceed 35 workdays per service year, the SLRP service obligation should be extended to compensate for the break in "full-time" service. If the participant is a reservist and is called to active duty, the <u>amount of time he/she is on active duty (which does not count as SLRP service) must be added to the terms of the original contract.</u></u>  |
| Citizenship                         | Applicant <u>must</u> be a United States citizen or national (naturalized citizens) as verified by a social security card.   |
| VA Residency                        | • VIRGINIA RESIDENT: Applicant <u>must</u> be a Virginia Resident. As verified by one of the following: Driver's license, voter registration, motor vehicle registration, ownership of real property, apartment lease or proof of home ownership.  |
| Types of<br>Eligible Positions      | <ul> <li>MUST BE FULLY TRAINED IN ONE OF THE ELIGIBLE PRIMARY CARE SPECIALTIES AND DEGREES: General practitioners (physicians who have not completed residency training programs) are not eligible for funding under the SLRP.</li> <li>Primary care specialties:         <ul> <li>✓ family medicine (and osteopathic general practice),</li> <li>✓ internal medicine, including geriatrics</li> <li>✓ pediatrics, obstetrics/gynecology</li> <li>✓ general psychiatry</li> </ul> </li> </ul>  |
|                                     | Nurse Practitioner and Physician Assistants primary care specialties approved are:  ✓ Adult Family   |

|                                 | ✓ Pediatrics  |
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|                                 | ✓ Psychiatry/Mental health  |
|                                 | ✓ Geriatrics  |
|                                 | ✓ Women's health.   |
|                                 | Eligible Degrees  |
|                                 | MD Doctors of Allopathic Medicine   |
|                                 | DO Doctors of Osteopathic Medicine  |
|                                 | DD General Practice Dentists (D.D.S. or D.M.D.)   |
|                                 | PD Pediatric Dentists   |
|                                 | NP Primary Care Certified Nurse Practitioners   |
| Types of                        | NM Certified Nurse-Midwives   |
| Eligible Positions<br>Continued | PA Primary Care Physician Assistants  |
| Continued                       | DH Registered Clinical Dental Hygienists  |
|                                 | PNS Psychiatric Nurse Specialists   |
|                                 | MHC Mental Health Counselors  |
|                                 | HSP Health Service Psychologist (formerly Clinical or Counseling Psychologists (Ph.D. or equivalent)  |
|                                 | CSW Licensed Clinical Social Workers (master's or doctoral degree in social work)   |
|                                 | LPC Licensed Professional Counselors (master's or doctoral degree with a major study in counseling)   |
|                                 | MFT Marriage and Family Therapists (master's or doctoral degree with a major study in marriage and family therapy)  |
|                                 | Expanded Disciplines from May 2012 announcement   |
|                                 | Registered Nurses (just have to practice at an eligible facility)   |
|                                 | Pharm D Pharmacists (Pharmacists are considered Primary Care and just have to provide at an eligible facility)  |
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| Eligible                        | • PRIMARY HEALTH CLINICAL PRACTICE: Must be in a full-time clinical practice or have a signed employment contract with  |
| Practice Site                   | intent to provide <u>primary health services</u> , at an eligible site i.e., <u>a public or nonprofit private entity</u> located in and providing   |
|                                 | primary health services in a current <b>Federally designated HPSA</b> that is appropriate for their discipline (e.g., primary care providers must   |
|                                 | be placed in primary care HPSAs, dental providers must be placed in dental HPSAs; mental health providers in mental health HPSAs). Search designation on the following website: <a href="http://bhpr.hrsa.gov/shortage/">http://bhpr.hrsa.gov/shortage/</a> or call 1-800-400-2742 to confirm HPSA. |
|                                 | Additional clarification as of 1-01-2014:   |
|                                 | Public/State Institution includes State/County Hospitals or Mental Health Hospitals.  |
|                                 | <b>Private-Nonprofit</b> includes those with documentation of federal tax status, i.e. 501(c) (3)). Per 42 U.S.C. 62.52 – "Nonprofit private  |
|                                 | entity means an entity which may not lawfully hold or use any part of its net earnings to the benefit of any private shareholder or individual and which does not hold or use its net earnings for that purpose."   |
|                                 | For-profit health facilities operated by nonprofit organizations are also included if they can provide documentation to show nonprofit  |
|                                 | equivalent status, meaning that the entity is not holding or using any part of its net earnings to the benefit of any private shareholder or  |
|                                 | individual and which does not hold or use its net earnings for that purpose).   |
|                                 |   |

## Expanded site types that are eligible from May 2012 announcement include (Must also be in a HPSA): Federally-Qualified Health Centers (FQHCs) (1) FOHC Look-Alikes (2) (3) **Rural Health Clinics** Critical Access Hospitals- Can be Inpatient State and County Mental Health Hospitals-Can be Inpatient (5) Long-Term Care Facilities (Nursing Homes)-Can be Inpatient (6) Community Outpatient Facility (7) Community Mental Health Facility (8) State and County Health Department Clinic (9) Free Clinic (10)Mobile Units (11)Eligible School-based Health Clinic (12)**Practice Site** (13)Indian Health Service Clinic Continued (14)Tribal Health Clinic (15)Urban Indian Health Clinic Immigration and Customs Enforcement (ICE) Health Clinic (16)(17)State or Federal Correctional Facilities Solo or Group Private Practices (18)Any practice site that the State deems eligible for placement of an individual under contract with the SLRP must provide discounts for individuals with limited incomes (i.e., use a sliding fee scale). For those with annual incomes at or below 100 percent of the HHS Poverty Guidelines, practice sites must provide services at no charge or at a nominal charge. For individuals between 100 and 200 percent of the HHS Poverty Guidelines, practice sites must provide a schedule of discounts. For information about HHS Poverty Guidelines, please visit http://aspe.hhs.gov/poverty/12poverty.shtml. Applicants should provide proof of the practice sites schedule of discounts with application. INPATIENT FACILITIES ARE ONLY ALLOWED IN THE FOLLOWING SITE TYPES: \*Critical Access Hospitals in a HPSA \*Long-Term Care (Nursing Homes) in a HPSA \*State, County, Local Mental Health Hospitals in a HPSA **Full-Time FULL TIME SERVICE:** The service obligation is to provide "Full-time clinical practice" as defined as a minimum of 40 hours per week in a clinical practice, for a minimum of 45 weeks per service year. Time spent in an "on call" status does not count toward the 40-**Eligibility Requirements** hour requirement. Participants do not get service credit for hours worked over the required 40 hours/week. No more than 7 weeks (35 work days) per service year can be spent away from the approved service site for leave. o For all health professionals except noted below: At least 32 of the minimum 40 hours per week must be spent providing direct patient care in the outpatient ambulatory care setting(s) at the approved service site(s), during normally scheduled office hours. The remaining 8 hours per week must be spent providing clinical services for patients in the approved service site, or providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved service site, or performing practice-related administrative activities. Administrative or other non-clinical activities (e.g., teaching, research, attending staff meetings) must not exceed 8 hours per week.

o For OB/GYN physicians, Family Medicine Physicians who practice obstetrics on a regular basis, providers of Geriatric services, Pediatric Dentists, Certified Nurse Midwives, and Behavioral and Mental Health providers: At least 21 of the minimum 40 hours

| Practice Site or<br>Community<br>Cash Match             | per week must be spent providing direct patient care (direct patient counseling for behavioral/mental health providers) in the <u>outpatient ambulatory care setting(s)</u> at the approved practice site(s), during normally scheduled office hours. The remaining 19 hours of the minimum 40 hours per week must be spent providing clinical services to patients in the approved practice site(s), or providing clinical services in alternative settings (e.g., hospitals, nursing homes, shelters) as directed by the approved practice site(s), or performing practice-related administrative activities. Administrative or other non-clinical activities (e.g., teaching, research, attending staff meetings) must not exceed 8 hours per week.  • 50/50 COST SHARING/MATCHING REQUIRMENT: The program has a cost sharing requirement. SLRP recipients must obtain a community match from their practice site or a public or private entity before they can be awarded. These funds cannot be from Federal funds. Non-Federal contributions in cash toward SLRP contracts in an amount not less than \$1 for each \$1 of Federal funds provided in the grant. |
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| Loan Repayment<br>Award Amount<br>Updated in NGO 9-1-11 | reapply for a renewal for up to \$40,000 (this amount includes the fifty percent match) in the 3 <sup>rd</sup> and 4 <sup>th</sup> year with a maximum of four years allowed.  |
| Obligation<br>Duration                                  | • <b>LENGTH OF SERVICE:</b> Initial award is for a two year service obligation (1 <sup>st</sup> and 2 <sup>nd</sup> year). Renewal awards are for a single year service obligation (3 <sup>rd</sup> and 4 <sup>th</sup> ).   |
| Verification of<br>Employment<br>(VOE) Cycle            | <ul> <li>1<sup>st</sup> VOE is needed to establish verification of employment.</li> <li>After 1<sup>st</sup> VOE, a Verification of Employment is needed every six months (6) months.</li> </ul>   |
| Leave Illness/ Maternity/ Vacation/ Other               | • ANY LEAVE: No more than 7 weeks (35 work days) per service year can be spent away from the approved service site for vacation, holidays, continuing professional education, illness, or any other reason. If the participant submits documentation supporting the need for absence of longer than 7 weeks, he/she may qualify for a suspension of the service obligation upon approval from the Commissioner of Health. These requests must be submitted on a hardship/variance form by the participant along with required documentation which will be located on the VDH-OMHHE website at <a href="https://www.vdh.virginia.gov/healthpolicy/">www.vdh.virginia.gov/healthpolicy/</a> .  |
| Suspension  "Extreme Hardship"                          | • SUSPENSION/EXTREME HARDSHIP: A suspension of the participant's SLRP obligation <u>may be granted at the Commissioner of Health's discretion</u> , for up to 1 year. In order to qualify for a suspension, the participant must document a medical condition or personal situation that makes compliance with the obligation <u>temporarily</u> "impossible" or an "extreme hardship" such that enforcement <u>would be against equity and good conscience</u> . These requests must be submitted on a hardship/variance form by the participant along with required documentation which will be located on the VDH-OMHHE website at <u>www.vdh.virginia.gov/healthpolicy/</u> . Examples would be the terminal illness of an immediate family member for whom the participant is caretaker or extended maternity leave due to medical complications.   |
| Cancellation of Contract "Death"                        | • <b>CANCELLATION OF CONTRACT:</b> The only permissible basis for canceling a SLRP contract is the death of the SLRP participant. These requests must be submitted on a SLRP Hardship/Variance Form by the participants designated Power of Estate along with required documentation which will be located on the VDH-OMHHE website at <a href="https://www.vdh.virginia.gov/healthpolicy/">www.vdh.virginia.gov/healthpolicy/</a>   |

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| Waiver  "Permanently Impossible"  "Extreme Hardship" | • | <b>WAIVER:</b> A waiver may be granted at the Commissioner of Health's discretion. A waiver excuses the participant's performance of his/her SLRP obligation, based on a written request and supporting documentation from the participant that he/she meets the waiver criteria. In order to qualify for a waiver of the SLRP obligation, a participant must document a medical condition or a personal situation that makes compliance with the obligation <b>permanently</b> " <b>impossible</b> " or an " <b>extreme hardship</b> " such that enforcement would be against equity and good conscience. These requests must be submitted on a hardship/variance form by the participant along with required documentation which will be located on the VDH-OMHHE website at <a href="www.vdh.virginia.gov/healthpolicy/">www.vdh.virginia.gov/healthpolicy/</a> . An example would be an illness so debilitating that the participant can no longer practice his/her profession. |
| Transfer or  |   | All loan repayments will cease to a SLRP participant who stops serving prior to the completion of his/her obligation or   |
| Break in Service                                     |   | otherwise breaches the terms of the contract. If a participant requires a transfer and there is a break in service between the initial eligible site and the transfer site, loan repayment should not resume (if applicable) until the participant has resumed full-time service at an eligible site. The <i>Participant</i> must submit a formal request to the OMHHE for an extension of this contract in cases of transfer or break in service. Where a break in service occurs, the participant's service end date must be extended and there should be a contract amendment reflecting the new end date. If a participant does not accept his or her reassignment/transfer, the State grantee must place the individual in default of his or her SLRP contract.  |
| Bankruptcy   | • | Bankruptcy provisions are located in the SLRP recipient contract. Debt cannot be written off with Bankruptcy.   |
| Breach of  |   | <b>DEFAULT:</b> Default occurs when a participant fails, for any reason, to begin or complete the SLRP service obligation, fails to meet  |
| contract:<br>DEFAULT                                 |   | service requirements, fails to accept Medicare/Medicare/CHIP assignment or to implement a sliding fee schedule, fails to provide documentation of qualifying loan balances, or fails to apply SLRP funds to repayment of qualifying educational loan balances. Default triggers a financial liability to the State that will be located in the SLRP recipient contract.   |
|  |   | SLRP Participants agree to serve as stated in the contract and if for any reason, fails to complete the period of obligated service, the participant will be liable to the Commonwealth of Virginia for an amount equal to the sum of:  |
|  | • | The total of the amounts paid by the United States to, or on behalf of, the participant for loan repayments for any period of obligated service not served;   |
| Penalty  | • | <b>Penalty</b> of an amount equal to the number of months of obligated service not served multiplied by \$7,500; and  |
| and Interest   | • | Interest per annum on (A) and (B) at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of breach except that the amount the United States is entitled to recover shall not be less than \$31,000 (In-kind repayment is not allowed).  |
|  | • | If the amount resulting from the above formula in (C) equals less than \$31,000, then the defaulter owes <b>\$31,000</b> . The amount   |
|  |   | owed is due to be paid within one year of breach.   |
|  | • | The amount of Commonwealth of Virginia <b>collection fees.</b> court costs and reasonable attorneys' fees incurred or any of its  |
|  |   | agents in enforcing any of its rights herein.   |
|  |   | The Recipient/Participant agrees to reimburse any financial damages owed to the Commonwealth of Virginia that is delinquent   |
|  |   | For more than thirty (30) days. The Commissioner may refer the debt to one or all of the following: collection agency, Debt   |
|  |   | Set-Off Program through the Department of Taxation, Office of the Attorney General, and the appropriate credit reporting agencies.  |

| Questions/<br>Comments   | Contact: Health Care Workforce Specialist-SLRP <u>Virginia Department of Health- Office of Minority Health and Health Equity</u> Division of Primary Care and Rural Health  109 Governor Street, 10th Floor East; PO Box 2448  Richmond, VA 23218-2448  Phone: 804.864.7435  Fax: 804.864.7440   |
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| Revision Dates:<br>1-22-2013 DS<br>4-26-2013 DS<br>1-8-2014 DS | Supported in part by grant number H56HP19792 from the United States Department of Health and Human Services (DHHS), Health Resources and Services Administration (HRSA). It provides funds for up to \$400,000 per year, for a maximum of four years.  Project Period: 9-1-2010 to 08-31-2014 Current Budget Period: 9-1-2013 to 8-31-2014 |